

HAMMER, SIMON & JENSEN

ATTORNEYS AT LAW

DAVID L. HAMMER*
ANGELA C. SIMON*+
PHILIP F. JENSEN*
SCOTT J. NELSON*
PAUL T. JENSEN*
VAL GUNNARSSON

ALL ATTORNEYS LICENSED IN ILLINOIS
*ALSO LICENSED IN IOWA
*ALSO LICENSED IN WISCONSIN

September 20, 2001

Ms. Alice M. O'Donnell
Rail Property Management
57 Ogden Avenue
Clarendon Hills, IL 60514

**COPY FOR YOUR
INFORMATION**

**RE: Chicago Central & Pacific Railroad Company
(CCP) Property Sale to City of Galena**

Dear Alice:

Mark Moran has provided me with your July 18, 2001 letter and accompanying Real Estate Sale Contract. As you know, the City of Galena is interested in acquiring certain railroad property for the construction of a new public works building.

Please find in letterform, using the enumeration found in your proposed Real Estate Sale Contract, my responses to that proposal. If our proposed changes are agreeable, I would ask that you incorporate them into an Amended Real Estate Sale Contract and return it to the City of Galena.

Paragraph 1. This paragraph should be amended so as to provide that Buyer agrees to pay Seller a total purchase price of \$25,000.00.

Paragraph 2. This paragraph should be amended to read: "A deposit of \$1,000.00 ..." The last sentence of Paragraph 2 should be amended to read: "... during which 90 days this contract shall be irrevocable by Buyer except as otherwise set forth herein."

Paragraph 3. This paragraph should be amended to include the following: "Seller at their own expense agree to furnish Buyer a current plat of survey by a licensed land surveyor dated within six months of closing showing the location of the lot lines along with easements of record."

303 NORTH BENCH STREET
P.O. BOX 270
GALENA, IL 61036
TELEPHONE: 815-777-1101
FAX: 815-777-9241

DUBUQUE BLDG., SUITE 190
700 LOCUST STREET
DUBUQUE, IA 52001-6824
TELEPHONE: 319-583-4010
FAX: 319-583-3402

313 1/2 MAIN STREET
P.O. BOX 51
SAVANNA, IL 61074
TELEPHONE: 815-273-3340

EXHIBIT

"10"

Ms. Alice O'Donnell
RE: CCP Property Sale to City of Galena
September 20, 2001
Page Two

Paragraph 4. This paragraph should be deleted and replaced with the following language:

"Seller shall convey said premises to the Buyer by a recordable stamped Warranty Deed upon payment of the purchase price. The Grantee in said Deed shall be the City of Galena, a Municipal Corporation. The legal description to be used in said Deed shall be furnished to Buyer upon Seller's acceptance of this contract. At least 21 days prior to closing, Seller shall furnish Buyer the following, showing merchantable title in Seller:

- (a) a commitment for title insurance, issued by a title insurance company authorized to do business in the State of Illinois, committing the company to issue an ALTA Owner's Policy insuring title to the real estate in Buyer for the amount of the purchase price;
- (b) permissible exceptions to title shall include only:
 - (i) the lien of general real estate taxes not yet payable;
 - (ii) zoning laws and building ordinances;
 - (iii) easements of record for utilities and public roads;
- (c) if the title evidence or the survey disclose exceptions other than those standard exceptions as are commonly known as standard exceptions, then Buyer shall give written notice of such exceptions to the Seller within a reasonable time prior to the closing date. Seller shall have a reasonable time to have such title exceptions removed. If Seller is unable to cure such exceptions, Buyer shall have the option to terminate this Agreement and under such circumstances shall be entitled to a return of its security deposit."

Paragraph 5. This paragraph should be deleted in its entirety.

Paragraph 6. This paragraph should be modified so as to provide that:

"Seller warrants that they did not use or engage the services of any real estate broker or agent and that Seller shall pay at closing any fee that is due to any broker in accordance with a Seller's listing agreement. Any broker or agent involved in this transaction is an agent of the Seller."

Paragraph 7. No changes are requested in this paragraph.

Ms. Alice O'Donnell
RE: CCP Property Sale to City of Galena
September 20, 2001
Page Three

Paragraph 8. This paragraph should be amended to read:

"If the Contract is breached or unable to be performed by Seller, then at the Buyer's option after notice of breach to the Seller, Buyer may:

- (a) proceed to closing notwithstanding Seller's failure to perform all of the Seller's obligation without waiving any other remedies for Seller's non-performance, or;
- (b) choose to have the earnest money returned to Buyer.

Paragraph 9. No changes are requested in this paragraph.

Paragraph 10. No changes are requested in this paragraph.

Paragraph 11. This paragraph should read:

"Seller's Warranty Against Contamination.

- (a) Seller expressly warrants that the soil and groundwater of the property are free of toxic waste contamination as defined by Federal and State law.
- (b) Seller shall indemnify and hold Buyer harmless from all liability, claims, losses, damages, costs and expenses including attorney's fees, arising out of or resulting from the presence of toxic waste or contamination of the soil or groundwater on the premises."

Paragraph 12. This paragraph should read:

"Seller Currently in Possession. Seller is currently in possession of the subject premises and it is not subject to any leases or interested parties other than those that are parties to this transaction."

EXCEPTIONS:

Paragraphs (A) through (C) are acceptable and do not require change.

Ms. Alice O'Donnell
RE: CCP Property Sale to City of Galena
September 20, 2001
Page Four

Paragraph (D) - please add the following:

"The parties agree to re-prorate real estate taxes on the premises when the total tax bill is due for the premises for the year 2001 due in 2002 are received. The Buyer shall provide Seller with a copy of the real estate tax bill, calculation showing the amount of the proration based on the actual taxes less the proration for real estate taxes paid or credited at the time of closing and a remittance of, or demand for, the balance due, within 30 days after the first installment is due. Seller shall remit any amounts due within 30 days of receipt of the request for payment."

OTHER CONDITIONS: (Amendments to Rider "A")

1. No change.
2. No change.
3. Covenant to Construct and Maintain a Fence. Said paragraph should be modified in the first sentence so as to provide that:

"Buyer covenants and agrees that it shall construct a 4-foot or higher chain link or wood fence along the track side boundary of the premises ..."

4. Access. This paragraph must be modified so as to assure the City of Galena access by easement or title to the lot the City is purchasing. The railroad owns adjacent property that could be used for access. That property is legally described as follows:

"The westerly one-half of the vacated Galena Avenue East, adjacent to Lots 1-3 of Block 8 of Gear's 2nd Addition, to its intersection with the northerly one-half of the vacated Mississippi Street. Also, the northerly one-half of the vacated Mississippi Street between the vacated Galena Avenue East and Water Street."

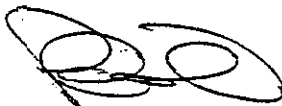
Please note that attached to this letter, highlighted in yellow, is a plat that identifies that parcel.

Ms. Alice O'Donnell
RE: CCP Property Sale to City of Galena
September 20, 2001
Page Five

5. **Reservation for Non-Exclusive Roadway and Utility Easement.** This paragraph should be amended so as to provide that the easement would run along the west property line of the subject lot. This would enable the City of Galena to plan their facility around the easement. You will note on the attached plat that the section we are referring to is highlighted in green.

Very truly yours,


HAMMER, SIMON & JENSEN

A handwritten signature in black ink, appearing to be "P. F. Jensen", written over a horizontal line.

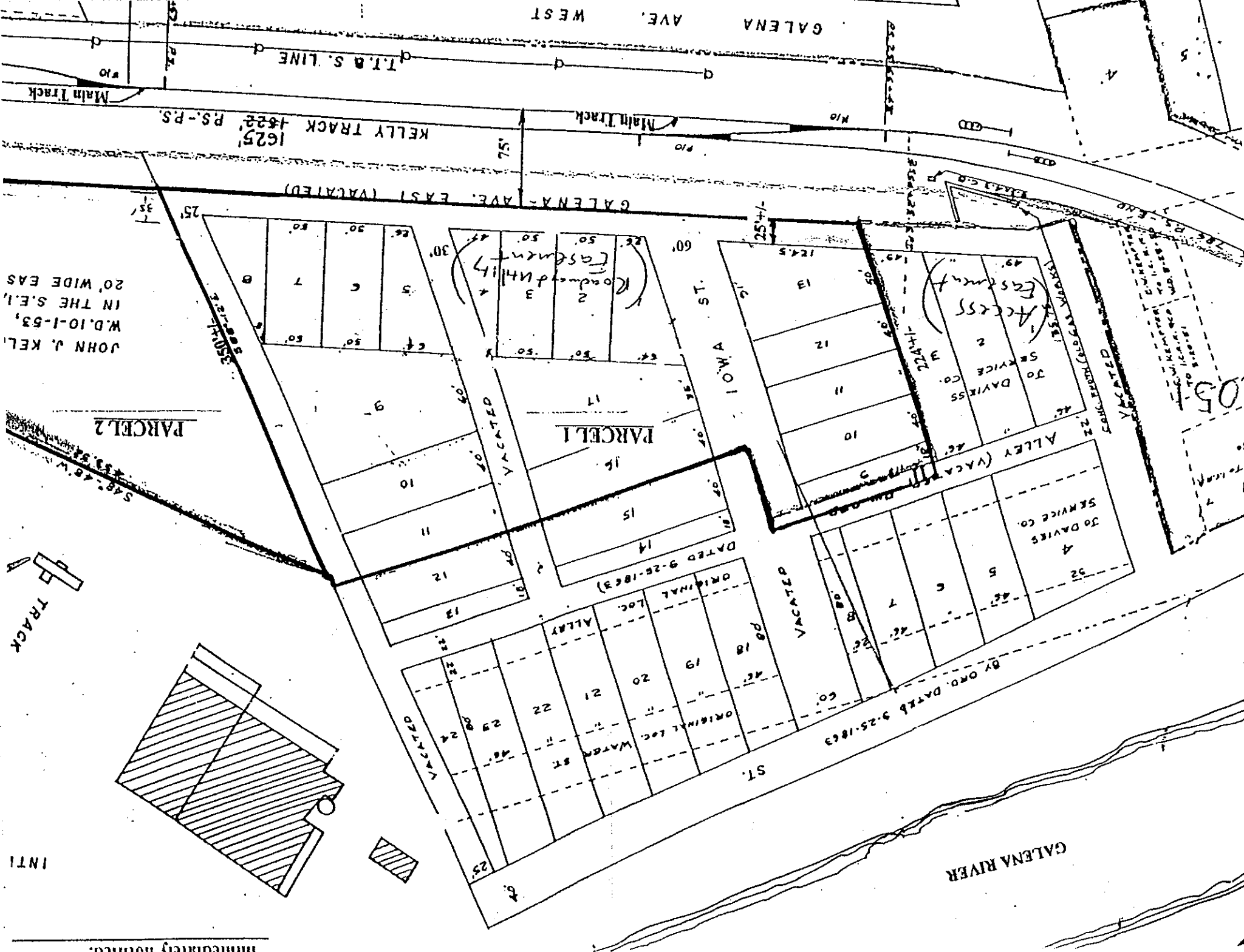
Philip F. Jensen

PFFJ:kw
Enclosure

cc: Mark Moran, City Admin./City of Galena



JOHN J. KEL
W.D. 10-1-53,
IN THE S.E. 1
20' WIDE EAS



Ordinance #0-02-16

**An Ordinance Authorizing the Condemnation of Certain Property for the Purpose of
Constructing A Public Works Building.**

Adopted by the City Council of the City of Galena this 10th day of June 2002.

Published in pamphlet form by authority of the City Council of the City of Galena,
Jo Daviess County, Illinois, this 10th day of June 2002.

STATE OF ILLINOIS)

) City of Galena

COUNTY OF JO DAVIESS)

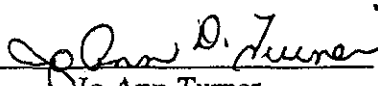
CERTIFICATE

I, Jo Ann Turner, certify that I am the duly elected and acting municipal clerk of the City
of Galena, Jo Daviess County, Illinois.

I further certify that on the 10th day of June 2002, the Corporate Authorities of said
municipality passed and approved Ordinance No. 0-02-16 entitled "**Authorizing the
Condemnation of Certain Property for the Purpose of Constructing A Public Works
Building.**" which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 0-02-16, including the Ordinance and a cover sheet
thereof, was prepared, and a copy of such Ordinance was posted in the municipal
building, commencing the 10th day of June 2002 and commencing for at least ten (10)
days thereafter.

Dated at Galena, Illinois, this 10th day of June 2002.


Jo Ann Turner
City Clerk

(Seal)



ORDINANCE NO. 0-02-16
**AN ORDINANCE AUTHORIZING THE
CONDEMNATION OF CERTAIN PROPERTY
FOR THE PURPOSE OF CONSTRUCTING
A PUBLIC WORKS BUILDING**

BE IT ORDAINED by the City Council of the City of Galena, Jo Daviess County, Illinois, as follows:

WHEREAS, the City of Galena (hereinafter referred to as "City") is a municipal corporation duly organized and existing under the laws of the State of Illinois and as such may exercise the right of eminent domain by condemnation proceedings in accordance with the Illinois Municipal Code Section 65 ILCS 5/11-61.1; and

WHEREAS, the City is in the process of constructing a new public works building and to that end needs to acquire certain property for purposes of housing said facility; and

WHEREAS, Section 5/11-61.1 authorizes a municipality to condemn property for the purpose of acquiring property for public works buildings; and

WHEREAS, the City is in need of certain real estate owned by the Chicago Central and Pacific Railroad Company for purposes of a public works building; and

WHEREAS, the City and the Chicago Central and Pacific Railroad Company have been unable to agree upon just compensation for the property which the City needs to acquire; and

WHEREAS, the City has determined that it is necessary and convenient to acquire the Chicago Central and Pacific Railroad Company property by fee title.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF GALENA, ILLINOIS, AS FOLLOWS:

SECTION 1: The City is in need of property described on Exhibit "A" which is highlighted in yellow, a more specific legal description to be forthcoming, together with all rights, privileges and appurtenances thereunto belonging or otherwise appertaining; situated in the County of Jo Daviess and State of Illinois.

Furthermore, the City is in need of property described as the westerly one-half of the vacated Galena Avenue East, adjacent to Lots 1 - 3 of Block 8 of Gear's 2nd Addition, to its intersection with the northerly one-half of the vacated Mississippi Street. Also, the northerly one-half of the vacated Mississippi Street between the vacated Galena Avenue East and Water Street. Said area as described is highlighted in yellow on the attached plat.

SECTION 2: The City has been unable to come to an agreement with the Chicago Central and Pacific Railroad Company on just compensation to be paid for the real property.

SECTION 3: The City has determined that it is necessary, convenient and desirable to acquire the subject property by fee title and take possession of the real property described herein for the purpose of a constructing a public works building.

SECTION 4: The City of Galena, by and through its municipal authorities, authorizes the City Attorney to commence eminent domain proceedings in the Jo Daviess County Circuit Court against the Chicago Central and Pacific Railroad Company to acquire the subject real property for the aforesaid purposes.

SECTION 5: Pursuant to statute, the City has requested authorization from the Interstate Commerce Commission to condemn said property. Said condemnation proceedings shall not proceed until authorization is granted for such purposes from the Interstate Commerce Commission.

SECTION 6: The City is prepared to pay just compensation to the Chicago Central and Pacific Railroad Company for the property.

SECTION 7: This Ordinance shall be in full force and effect upon its passage and legal publication in pamphlet form.

SECTION 8: Passed on this 10th day of June, 2002 in open Council

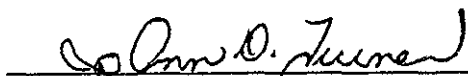
AYES: Francomb
Greene
Rosenthal
Seban
Bookless
Auman

NAYS: O'Keefe



Mayor Richard Auman

ATTEST:


City Clerk

Please note that a more precise map may be prepared upon receipt of an offer. In doing so, if the engineer detects any significant changes, the Buyer will be immediately notified.

INTERSTATE LIGHT & POWER CO.

Legend:

☐ Proposed sale

JOHN J. KELLY & WIFE TO I.C.R.R.
W.D. 10-1-53, A TRACT OF LAND
IN THE S.E. 1/4 OF SEC. 24, 6.19 AC.
20' WIDE EASEMENT RESERVED FOR GRANTOR

Exhibit "A"

**Chicago, Central &
Pacific Railroad Co.**

Location: Galena, Illinois
County: Jo Daviess County
Map: 1-III-38/s-17
Parcel No. 5772051
Rail Line: Dubuque District
Scale: 1"= 100'
Date: July 17, 2001